



**GAIL FARBER, Director**

# **COUNTY OF LOS ANGELES**

## **DEPARTMENT OF PUBLIC WORKS**

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

October 06, 2009

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**AWARD OF CONTRACT FOR AS-NEEDED LEAK DETECTION SERVICE TO UTILITY  
SERVICES ASSOCIATES, LLC, FOR THE WATERWORKS DISTRICTS AND MARINA DEL REY  
WATER SYSTEM  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

### **SUBJECT**

This action is to award a contract for as-needed leak detection service in the Los Angeles County Waterworks Districts and the Marina del Rey Water System.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the contract work is categorically exempt from the provisions of the California Environmental Quality Act.
2. Award the contract for as-needed leak detection service in an annual sum not to exceed \$28,737 to Utility Services Associates, LLC, located in Burien, Washington. This contract will be for a term of one year commencing upon your Board's approval, with four 1-year renewal options, not to exceed a potential maximum contract sum of \$143,685 and a total contract period of five years.
3. Authorize the Director of Public Works or her designee to annually increase the contract amount up to an additional 10 percent of the annual contract sum for unforeseen, additional work within the scope of the contract, if required; and to adjust the annual contract sum for each option year over the term of the contract to allow for an annual cost-of-living adjustment in accordance with County policy and the terms of the contract.
4. Authorize the Director of Public Works or her designee to execute the contract; to renew the contract for each additional renewal option year if, in the opinion of the Director of Public Works, Utility Services Associates, LLC, has successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works, it is in the best interest of the County to do so.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended action is to provide as-needed leak detection service within the Los Angeles County Waterworks Districts (Districts) and the Marina del Rey Water System. The work to be performed will consist of as needed and intermittent leak detection service to maintain and improve water distribution system operations. Leak detection is listed by the California Urban Water Conservation Council (CUWCC) as a necessary Best Management Practice for urban water suppliers. The Districts have been signatory to the CUWCC since 1997. The Department of Public Works (Public Works) has contracted for this service since 2002.

**Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The contractor who has the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support Public Works in meeting these goals.

**FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

The contract is for an annual amount not to exceed \$28,737 plus 10 percent for unforeseen, additional work within the scope of the contract and an adjustment to the maximum contract sum for cost-of-living adjustments in accordance with County policy and the terms of the contract. This amount is based on the unit prices quoted by the contractor and our estimated annual utilization of the contractor's services.

The County of Los Angeles Board of Supervisors' (Board) direction to negotiate contract cost reductions in exchange for a contract extension does not apply to this contract because this was an active solicitation underway prior to June 16, 2009. Public Works successfully negotiated with the contractor to reduce their rate, which was already the low bid, from an estimated annual cost of \$29,998 to \$28,737 without adding extension years.

Financing for this service is included in the Fiscal Year 2009-10 Internal Service Fund Budget, which will be reimbursed by the Waterworks Districts' general funds. When the need arises for services under this contract, the required service will be financed from the appropriate fund source. Total annual expenditures for this service, however, will not exceed the amount approved by your Board, and no service will be ordered without the funding authorization of Public Works' Financial Management Branch. Funds to finance the contract's optional years, 10 percent additional funding for contingencies, and cost-of-living adjustments will be requested through the annual budget process.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The contract agreement will be in the form previously reviewed and approved by County Counsel (Attachment A). Prior to the Director of Public Works or her designee executing this contract, the contractor will sign and County Counsel will review it as to form. The recommended contract, with Utility Services Associates, LLC, was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and your Board's requirements.

The contract contains terms and conditions supporting your Board's ordinances, policies, and programs, including but not limited to: County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board directed clauses that provide for contract termination or renegotiation.

Data regarding the proposer's minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

The recommended contractor is Utility Services Associates, LLC. This contract will commence upon your Board's approval for a period of one year. With your Board's delegated authority, the Director of Public Works or her designee may renew the contract for four 1-year renewal options, not to exceed a total contract period of five years.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from the contractor before any work is assigned.

Pursuant to the applicable memorandum of understanding, the Request for Proposals (RFP) for this contracted service was submitted on May 6, 2009, to the appropriate union for review. The union has not asked to meet with Public Works regarding this solicitation.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract, which is for services required on an as-needed, and intermittent basis; hence, this contract is not a Proposition A contract (Los Angeles County Code, Chapter 2.121).

The contract includes a cost-of-living adjustment provision, which is in accordance with your Board's policy approved January 29, 2002.

### **ENVIRONMENTAL DOCUMENTATION**

This service is categorically exempt from the provisions of the California Environmental Quality Act (CEQA). This service is within a class of projects that has been determined not to have a significant effect on the environment in that it meets the criteria set forth in Section 15306 of CEQA.

### **CONTRACTING PROCESS**

On May 7, 2009, Public Works solicited proposals from 206 independent contractors and community business enterprises to accomplish this work. Also, a notice of the RFP was placed on the County's bid website (Attachment B), and an advertisement was placed in the Los Angeles Times.

On June 1, 2009, one proposal was received. The proposal was first reviewed to ensure it met the minimum requirements in the RFP. The proposal having met these requirements was then evaluated by an evaluation committee consisting of Public Works staff using the informed averaging methodology. The committee's evaluation was based on criteria described in the RFP, which included the price, experience, work plan, and references. Based on this evaluation, it is recommended that this contract be awarded to the responsive and responsible proposer, Utility Services Associates, LLC. Public Works has determined that the contractor's price is reasonable for the work requested.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The award of this contract will not result in the displacement of any County employees as this service is presently contracted with the private sector.

### **CONCLUSION**

Please return one adopted copy of this letter to the Department of Public Works, Administrative Services Division.

The Honorable Board of Supervisors

10/6/2009

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Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER

Director

GF:GZ:cg

Enclosures

c: Chief Executive Office (Lari Sheehan)  
County Counsel  
Executive Office

AGREEMENT FOR  
AS-NEEDED LEAK DETECTION PROGRAM

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2009, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and Utility Services Associates, LLC, a Limited Liability Company (hereinafter referred to as CONTRACTOR).

WITNESSETH

FIRST: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the Board of Supervisors of said COUNTY of the CONTRACTOR'S Proposal filed with the COUNTY on June 1, 2009, hereby agrees to provide services as described in this Contract for As-Needed Leak Detection Program.

SECOND: This AGREEMENT, together with Exhibit A, Scope of Work; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, Los Angeles County Waterworks District Map Locations; Exhibit F, Sample Leak Detection Report; the CONTRACTOR'S Proposal, all attached hereto; the Request for Proposals; and Addenda to the Request for Proposals, all of which are incorporated herein by reference, are agreed by the COUNTY and the CONTRACTOR to constitute the Contract.

THIRD: The COUNTY agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with the Contract specifications to the satisfaction of the Director, to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the Proposal and attached hereto as Form PW-2.1, an amount not to exceed \$28,736 per year, or such greater amount as the Board may approve (Maximum Contract Sum).

FOURTH: This Contract's initial term shall be for a period of one year commencing upon Board approval. At the sole discretion of the COUNTY, this Contract may be extended in increments of one year, not to exceed a total contract period of five years. The COUNTY, acting through the Director, may give a written notice of intent to extend this Contract at least ten days prior to the end of each term. At the sole discretion of the COUNTY, this Contract may also be extended on the month to month basis, upon a written notice to the Contractor at least ten days prior to the end of a term. The Director will provide a written notice of nonrenewal at least ten days before the last day of any month, in which case this Contract shall expire as of midnight on the last day of that month.

FIFTH: The CONTRACTOR shall bill upon completion, in arrears, for the work performed during the preceding month. Work performed shall be billed at the unit prices quoted in Form PW-2.1, Schedule of Prices.

SIXTH: Public Works will make payment to the CONTRACTOR within 30 days of receipt and approval of a properly completed invoice. However, should the CONTRACTOR be certified by the COUNTY as a Local Small Business Enterprise, payment will be made in accordance with Board of Supervisors Policy No. 3.035, Small Business Liaison and Prompt Payment Program. Each invoice shall be in triplicate (original and two copies) and shall itemize the work completed. The invoices shall be submitted to:

County of Los Angeles Department of Public Works  
Attention Fiscal Division, Accounts Payable  
P.O. Box 7508  
Alhambra, CA 91802-7508

SEVENTH: In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

EIGHTH: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager is authorized to request or order work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

NINTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term as provided for hereinabove.

TENTH: The Director may adjust the rate of compensation set forth in Form PW-2.1 (Schedule of Prices) annually based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics', All Urban Consumers Price Index for the Los Angeles-Riverside-Orange County Area (CPI) for the 12-month period preceding the contract anniversary date, which shall be the effective date for any such cost-of-living adjustment. The percentage change in the rate of compensation shall equal 12 times the average monthly change in the CPI over the first nine months of the contract term preceding the effective date. However, any percentage increase shall not exceed the general salary movement granted to COUNTY employees as determined by the COUNTY'S Chief Executive Office as of July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in COUNTY employee salaries, no cost-of-living adjustment will be granted.

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**ELEVENTH:** In the event that terms and conditions, which may be listed in the CONTRACTOR'S Proposal, conflict with the COUNTY'S specifications, requirements, and terms and conditions as reflected in this AGREEMENT, including, but not limited to, Exhibits A through F, inclusive, the COUNTY'S provisions shall control and be binding.

TWELFTH: The CONTRACTOR agrees in strict accordance with the Contract specifications and conditions to meet the COUNTY'S requirements.

**THIRTEENTH:** This Contract constitutes the entire agreement between the COUNTY and the CONTRACTOR with respect to the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings.

[illegible]

IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Director of Public Works

APPROVED AS TO FORM:

ROBERT E. KALUNIAN  
Acting County Counsel

By \_\_\_\_\_  
Deputy

UTILITY SERVICES ASSOCIATES,  
LLC

By \_\_\_\_\_  
Its President

\_\_\_\_\_  
Type or Print Name

By \_\_\_\_\_  
Its Secretary

\_\_\_\_\_  
Type or Print Name

**ENCLOSURE B****Bid Detail Information**

**Bid Number :** PW-ASD 752  
**Bid Title :** As-Needed Leak Detection Program (2009-AN017)  
**Bid Type :** Service  
**Department :** Public Works  
**Commodity :** LEAK DETECTION SERVICES: GAS, WATER, CHEMICAL  
**Open Date :** 5/7/2009  
**Closing Date :** 5/19/2009 2:00 PM  
**Bid Amount :** \$ 60,000  
**Bid Download :** Not Available  
**Bid Description :** PLEASE TAKE NOTICE that Public Works requests proposals for the contract for As-Needed Leak Detection Program (2009-AN017). The total annual contract amount of this service is estimated to be \$60,000. The Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be accessed at <http://dpw.lacounty.gov/asd/contracts> or may be requested from Ms. Lorena Calderon at (626) 458 4169, [lcalderson@dpw.lacounty.gov](mailto:lcalderson@dpw.lacounty.gov), Monday through Thursday, 7 a.m. to 5 p.m.

Minimum Requirement(s): Proposers must meet all minimum requirements set forth in the RFP document, including, but not limited to, Proposer or its managing employee must have a minimum of three years' experience performing the type of service solicited. Additionally, Proposers must submit copies of the Proposer's California Business License, the Proposer's and/or subcontractor's, latest calibration certifications by the National Bureau of Standards or its equivalent, and any other appropriate State licenses and certifications required to perform the work, if any.

A Proposers' Conference will be held on Tuesday, May 19, 2009, at 2 p.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in the Traffic and Lighting Conference Room located on the first floor of the Annex building. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE IS MANDATORY. Public Works will reject proposals from those whose attendance at the conference cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and contract terms. After the conference, it may be impossible to respond to further requests for information.

The deadline to submit proposals is Tuesday, June 2, 2009, at 5:30 p.m. Please direct your questions to Ms. Calderon at the number above.

**Contact Name :** Lorena Calderon  
**Contact Phone# :** (626) 458-4169  
**Contact Email :** [lcalderson@dpw.la.county.gov](mailto:lcalderson@dpw.la.county.gov)  
**Last Changed On :** 5/7/2009 8:30:58 AM

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